

PEOPLE

ping Out Elvis: Million to Start

ong-awaited 29-cent stamp went on sale just as Friday in Memphis...

Francis Minerva... the star of the movie...

Margaret... from a...

about... where...

at... the...

at... the...

at... the...

at... the...

at... the...

MONDAY SPORTS NFL Results Page 15

INTERNATIONAL Herald Tribune

Table with exchange rates for various countries including London, Paris, Tokyo, and others.

No. 34,172 2/93

Published With The New York Times and The Washington Post

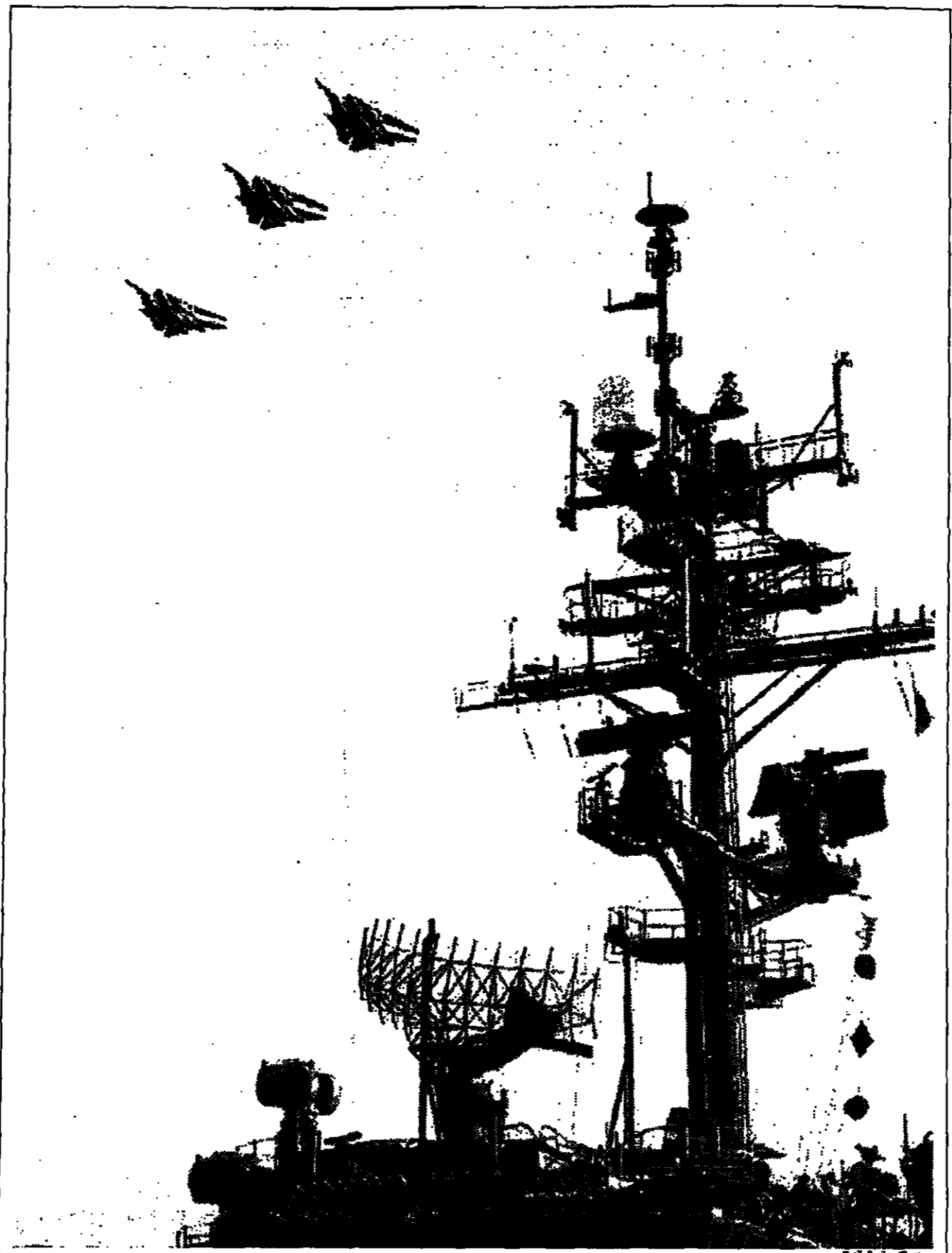
PARIS, MONDAY, JANUARY 11, 1993

ESTABLISHED 1887

French Call for Action To Free Bosnian Camps

Dumas Says France Will Act Alone, If Needed, to End Rape and Torture

Compiled by Our Staff From Dispatches PARIS — Foreign Minister Roland Dumas said Sunday that France was prepared to act alone if necessary to liberate by force prison camps in Bosnia where civilians had been raped and tortured.



F-14 fighter bombers, which have been patrolling the no-flight zone in southern Iraq, flying over the U.S. supercarrier Kitty Hawk.

Saddam Bars UN Flight, Challenging West Again

Iraqi Maneuver Follows Its Apparent Retreat In Dispute Over Missiles

By Youssef M. Ibrahim New York Times Service CAIRO — Iraq issued a new challenge to the United States and its allies on Sunday by banning United Nations inspectors from flying to its territory from Bahrain...

For U.S. Airmen, No Reason Yet to Rest

By William Drozdiak Washington Post Service ABOARD THE USS KITTY HAWK IN THE GULF — For Lieutenant Jim Davis and other top guns who rear off the decks of this supercarrier to help enforce the no-flight zone in southern Iraq...



A Marine dressing down a youth who threw stones at troops Sunday in Mogadishu.

6 Killed and 100 Wounded In Mogadishu Street Fighting

By Keith B. Richburg Washington Post Service MOGADISHU, Somalia — At least six Somalis were killed and more than a hundred were wounded on Sunday in the most violent street battles in the capital since U.S. troops arrived a month ago.

Cruel Sea and Stout Ship: Oil-Spill Drama Plays On

By William E. Schmidt New York Times Service QUENDALE, Shetland Islands — With winds reaching hurricane levels, mountainous surf exploded against the leaping hull of the grounded tanker, each shuddering blow sending a thick, oily spray over the enfolding cliffs.

Klosk Nuclear Disagreement in Ukraine

KIEV (Reuters) — While a conservative Ukraine member of parliament expressed doubts, Ukraine's senior arms negotiator, Deputy Foreign Minister Boris Tarasyuk, said Sunday that leading nuclear nations had promised to offer Kiev security guarantees in writing if it backed the START-I accord.

Japanese Study Basic English: 'Stop Him!' 'Police!'

By David E. Sanger New York Times Service TOKYO — At 7 o'clock on Sunday night, television viewers across Japan tune in to see the latest disaster to befall Hyota, a hapless traveler trying to survive in the United States with the English he learned in Japan's public schools.

cess AT&T







# Miyazawa to Query Asians on Japan's New Security Role

By Steven Brull  
*International Herald Tribune*

TOKYO — Prime Minister Kiichi Miyazawa will begin an eight-day tour of Southeast Asia on Monday that intends to test the reaction to an expanded Japanese security role in the region.

He also wants to use the trip to strengthen Japan's voice at the meeting of G-7 industrialized nations here in July.

Although Western powers have chided Tokyo for not playing a greater role in international security, many Southeast Asians fear Japan will expand its military presence in the region if a vacuum is created by the reduction of U.S. forces, especially if China raises its profile.

Mr. Miyazawa is expected to try to reassure the leaders of Indonesia, Malaysia, Thailand and Brunei with proposals that underscore Japan's multilateral approach to security and aid, policies that go little beyond the status quo.

Although Southeast Asian leaders will most likely accept these ideas in general, they will question Japan's claim to serve as regional spokesman at the G-7 summit.

Japan has refused to grant full-scale aid to Moscow pending resolution of the nations' territorial dispute; a refusal that could be embarrassing for the host of a summit that may put Russian aid high on the agenda.

So Mr. Miyazawa will try to sound out and represent Southeast Asian views at the summit, hoping to reinforce his status in the process.

"The tour is most important as a ceremony," said Kenichi Ito, president of the Japan Forum on International Relations. "He'll be able to claim to be representing Asian nations in the G-7."

The officials in Southeast Asia will also inquire about Japan's opposition to the East Asia Economic Caucus, a regional economic grouping being pushed by Malaysia. Japan says it fears the caucus, which excludes the United States, would encourage protectionist tendencies in the European Community, and the North American Trade Area grouping the United States, Mexico and Canada.

Japan's message includes stress on the importance of a continued U.S. presence in Asia. There are concerns that the administration of President-elect Bill Clinton, which takes office next week, will accelerate the withdrawal of U.S. forces from the region. "Continued U.S. engagement in the region is an imperative," a Foreign Ministry official said.

Moreover, Mr. Miyazawa will assure the leaders that if Japan expands its role, it will do so only as part of UN initiatives. Legislation passed last year allowed Japanese forces to join UN peacekeeping operations, so long as they do not take part in combat and serve under UN command. The dispatch of 600 army engineers to Cambodia in September marked the first overseas deployment of soldiers since World War II.

Nonetheless, should a regional power vacuum arise and create need for new security arrangements, Mr. Miyazawa is expected to tell the leaders that Japan would prefer to continue working through the Association of South East Asian Nations' post-ministerial conference, a forum that may eventually include China and Russia. ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

His trip will culminate on Saturday in Bangkok, where he is expected to outline his strategic views in a policy speech being touted as the "Miyazawa Doctrine." It will also underscore a commitment to work with ASEAN in the reconstruction of Indochina. One idea, a highway linking Thailand and Vietnam.

At most, the "Miyazawa Doctrine" will mark a modest advance from the "Fukuda Doctrine," considered Japan's most important Asian policy statement since World War II. Enunciated by Prime Minister Takeo Fukuda in Manila in 1977, it espoused a political role for Japan in the region and foreswore any desire to become a military power.



Indian Airlines flight attendants standing beside the crumpled wing of a Tupolev-154, which crashed without loss of life at New Delhi.

# All 163 Aboard Survive New Delhi Crash

Compiled by Our Staff From Dispatches

NEW DELHI — Investigators suspect pilot error in the crash of an Indian Airlines jet, according to an aviation official who attributed the survival of all 163 people aboard to the Soviet-built craft's sturdiness.

The Tupolev-154 jet crashed three hours before dawn Saturday while landing in heavy fog at Indira Gandhi International Airport. It broke up and overturned, but all aboard jumped to safety before flames engulfed the craft.

Six people were hospitalized with injuries.

The flight from Hyderabad, 1,000 miles south of New Delhi, was carrying 152 passengers and 11 crew. The jet was leased from Uzbek Airlines to break a month-old strike by more than 400 Indian Airlines pilots.

Prime Minister P.V. Narasimha Rao on Sunday accepted the resignation of Civil Aviation Minister Madhavrao Scindia.

M.S. Rana, a former air force pilot with the Civil Aviation Ministry, quoted investigators as saying that the pilot ignored orders from air traffic controllers not to land because of the fog. He said the pilot apparently was tired and did not want to fly to another airport.

Many pilots are working extra hours to make up for the shortage of pilots and keep flights running. He said investigators attributed the survival of all aboard to the sturdiness of the plane.

"If it was another plane it would have overturned and collapsed and everybody would have burned to death," he said.

But Ganji Rafikov, general director of Uzbek Airlines, told the Moscow-based Itar-Tass news agency that the accident "cannot put in question the pilots' professionalism."

Mr. Rafikov said the pilot, Erkin Aripov, had obtained permission to land, but in the fog lost visual contact with the ground.

Officials said the pilot was off course in his approach to the runway and hit a group of lights to the right of the airstrip. It skidded on slushy grass along the runway for

# Deaths Rise to 162 in 5th Day of Indian Violence

with guns, stones and bottles, witnesses said.

On the railroad line near Parel Station, two corpses lay on the tracks, while in the slum area of Mahim residents sat outside the charred remains of their huts where three people were reported burned to death during the night.

Curfew has been imposed in 13 areas of Bombay and 14 in Ahmedabad, but this has not stemmed the wave of stabbings and arson that are part of a flare-up of communal hatred linked to the destruction of an ancient mosque in northern India.

Although extra troops have been sent to Bombay, a city of 12 million

known in the past as a communal melting pot, this has failed to stop the unrest, apparently because troops have been limited to staging shows of force and have not tried to intervene in the riots with weapons.

Bombay has been tense since last month's nationwide riots triggered by the razing of the mosque in Ayodhya by Hindu zealots in which more than 1,100 people died, including 202 in Bombay.

But the new flare-up appeared to have been deliberately fanned by Hindu political groups trying to push Prime Minister P.V. Narasimha Rao into an early general election, political sources said.

Hospitals were crammed with casualties, including burn victims, and scores of people were stabbed or shot.

The bloodshed spread to new parts of Bombay over the weekend as rioters burned shops and cars, and fought gunbattles with police.

At least 39 people were killed on Saturday as shops, warehouses, a cinema and homes were set ablaze, and rioters pelted fire engines with stones and petrol bombs.

A senior police officer said the police were handicapped by an acute shortage of weapons, with most of them only equipped with bamboo canes. The police have come under fire and been attacked with homemade bombs.

WHY STAY AT A HOTEL IF YOU CAN STAY AT THE PALACE

from only \$195\* per room per night

SPECIAL CORPORATE RATE

The ultimate Manhattan business address. Superior service. Extraordinary amenities. First-class cuisine. Treat yourself...royally.

For reservations, call Leading Hotels of the World: France 05-90-84-44 toll-free; Germany 0180-852110 toll-free; U.K. & N. Ireland 0-800-181-123 toll-free; Italy 1678-22005 toll-free; Spain 900-100845 toll-free; Switzerland 155-1123 toll-free; Buenos Aires (1) 322-3563; Sao Paulo (1) 287-5755; Brazil (1) 800-1803 toll-free. Or call your local Leading Hotels of the World office or UTELL International. Inside USA call direct toll-free 1-800-NY-PALACE, or contact your local travel professional.

\*Per room, per night, single occupancy, based on availability. Tax and gratuities not included. Superior and Deluxe rooms slightly higher. Advance reservations required. Rates subject to change without notice.

**The NEW YORK Palace**  
455 Madison at 50th Street • New York, NY 10022  
(212) 888-7000  
"Formerly The Helmsley Palace"  
one of "The Leading Hotels of the World"



PRESENTING AT&T WORLD CONNECT SERVICE.

IT'S GOT THE WHOLE WORLD TALKING.

When you're outside the U.S., country to country calls haven't always been that easy to make. Today, with an AT&T Card they can be, thanks to our AT&T World Connect™ Service. When business takes you where World Connect™ is available, dial the appropriate AT&T USADirect® Service access number. In seconds, AT&T can connect you with any other country in the World Connect system. You'll find some of our European access numbers at the bottom of this page.

For a full list of World Connect countries, call AT&T collect at 412 553-7458, Ext. 611. AT&T World Connect Service. It puts the world at your fingertips.

Vows  
uity'  
tion will continue  
we game over line  
r of his defense team  
been the policy of the  
sh administration of  
Mr. Clinton's Cap...  
ed by the Pentagon's  
towed its aircraft  
be destroyed without  
eal to that will not be  
nissiles from the sea  
r Britain. France and  
was threatened after  
ct Shiite Muslims in  
expect any change in  
president.  
reports that it had  
stiles, and said that  
il Clinton wrote to  
to Bush's demands

at 56,  
Chief

ver Amount to \$6-  
961. Other words  
ituation: "A Med...  
rumbrosas Lant...  
es).  
Wallerstein, 7, is  
the movie theater  
of cancer. M...  
is retired in 1985  
oy of the Bal...  
a Chicago man...  
any that doing so...  
largest movie the...  
st. Acting as...  
putting money to  
drinks and...  
eater...  
F...  
g...  
in Paris...  
not...  
his...  
rmer...  
st...  
man...  
da Rebels  
rotocol  
SALAM...  
g...  
a...  
a...  
trans...  
Sunday...  
social...  
the...  
t...  
at...  
to...  
ab...  
the...  
seats.

EMPLOYMENT  
EDUCATIONAL  
RETURNS AVAILABLE  
BROADS...  
MTO RENTALS  
HE...  
HEALTH MEDICAL  
SERVICES  
SALDNESS  
ZHUANGGUANG  
WORLD COST FLIGHTS  
ACCESS VOYAGE  
ACCES IN LYON  
WORLD...  
Page 15  
FOR MORE  
CLASSIFIEDS

ENGLISH: The Travelers' Aid

(Continued from page 1) the victim of a crime while in the United States. But the image of America as a place where unsuspecting, cash-laden Japanese are tempting targets was reinforced like never before after the October slaying of a 16-year-old Japanese foreign-exchange student in Louisiana...

"I realized that I needed to do this when another high school teacher told me that he did not know 'freeze' had another meaning other than what you do with food, she said. Although all Japanese students get six years of English instruction...



Churchgoers battling high winds and driving rain Sunday in Quendale Bay, near the site of the Shetland Islands oil spill.

TANKER: Avoiding the Worst

(Continued from page 1) keeping their fingers crossed again as winds gusting to 115 miles per hour (185 kph) were forecast. Although there were signs the ship's stern engine section was breaking off, the main part of the superstructure, which includes the vessel's unruptured oil storage tanks, has remained nuzzled firmly against the rocks and sandy bottom, hull-deep in the water and close to shore.

risk, both birds and seals, would have been far larger. "The day the tanker ran aground I remember thinking, 'My God, this will be a catastrophe,'" he said. "But now I think, 'Phew, the tanker has not broken up. There is still a lot of damage, and still could be more, but so far it's not the worst case.'"

CLASH: Street Fighting Among Clan Factions Escalates Sharply in Somali Capital

(Continued from page 1) The shooting began around midnight Saturday and continued throughout Sunday, and the emergency rooms of nearby hospitals were packed with the wounded, mostly women and children with gunshot wounds who sat bleeding on tile floors and on wheeled carts waiting for help.

and 74 wounded by bullets, with as many as 30 other gunshot victims who were treated but not officially listed, hospital workers said. "It's been the heaviest day of casualties since the intervention," said a nursing trainer at Digfer.

Many of Habir Gidir members said Sunday that Murusade gunmen were indiscriminately shooting civilians in an attempt to drive the Habir Gidir out of the Wardige area. Although these accounts of witnesses could not be confirmed,

the high number of civilian gunshot victims seemed to suggest that not all the casualties were caused by random gunfire. Victims, including children, continued arriving at hospitals late into the afternoon as the fighting raged.

between the warring factions, then what the hell are they doing here? said Abdi Saeed Adam, a market vendor, after a stray bullet shattered a bone in his leg Sunday afternoon. He was lying on his back in a bed in an unlighted ward at Digfer Hospital, his leg in a cast from ankle to hip.

Among the crofters and their families, who raise crops and run sheep over the island's rolling, stony pastures, there have grown numbers of complaints about sore throats, eye irritation, headaches and nausea. Public health officials said they would set up a telephone hotline to reassure anxious residents, although they insist the actual risk to health as a result of the windborne oil, as well as any of the chemical dispersants being sprayed to break up offshore slicks, was low, if not nonexistent.

Part of the reaction, said Magnus Flaws, a local council member, reflected a growing resentment among people who felt too much attention was being paid to the consequences of the oil accident on wildlife and not enough on the costs to the human population.

In addition to health worries, the island's fishing economy has been imperiled, since about 400 square miles (1,035 square kilometers) of fishing grounds near the slick have been closed. One of every five people on the island is employed in fishing, fish processing or fish farming.

To that end, conservationists and government officials late Sunday added a more temporal appeal: They asked the army of journalists who have descended on the island — some borne by a helicopter rented by Independent Television News of London — to stay clear of bird and seal colonies, warning that the animals were suffering enough without being pursued by camera crews looking for close-ups of oil-slicked wildlife.

But another result of what has come to be known as the "freeze case" is a rash of crash courses in "defensive English." "People are really desperate," said Miesko Hikosaka, a Tokyo teacher who with two friends organized street-language seminars that attracted more than 700 people. Mrs. Hikosaka, who lived in New York for several years, covered what she terms calls useful expressions — like "Get him!" "Stop him!" and "Police!"

GOVERNMENT OF INDIA NOTICE INVITING OFFERS FOR EXPLORATION FOR OIL & NATURAL GAS FIFTH ROUND OF BIDDING (1993) The Government of India invites companies to bid for acreage for exploration for oil and natural gas. 45 blocks — 29 offshore, 15 onshore and 1 onshore block extending into offshore — are available for exploration by companies, which can bid for one or more blocks, singly or in association with other companies.

The dramatic flare-up of violence, although not directly involving U.S. forces, seems to pose a dilemma for U.S. military officials and policymakers. Fierce street fighting, with scores of mostly civilian casualties, seems to directly challenge American officials' stated policy of trying to "stabilize" the war-torn capital and stem the lawlessness. But intervening to stop the violence risks drawing U.S. forces into the center of what is essentially a clan feud, and could force the Americans to end up taking sides.

One American official said troops might be reluctant to become involved in Somalia's factional fighting because of the painful lessons learned from the intervention in Beirut in the early 1980s. There, U.S. forces supposedly on a peacekeeping mission ended up in a de facto alliance with Lebanon's Christians, while engaging in retaliatory shelling attacks against Lebanese Muslim and Syrian positions. As a result, the United States lost its position as a perceived impartial arbiter and became instead a target for terrorists.

Colonel Fred Peck, a Marine spokesman for the U.S. intervention forces in Somalia, expressed the U.S. military's reluctance to get involved in Sunday's violence. "We're not taking any steps to intervene," Colonel Peck said. But some of the Somalis who

His sister stood next to his bedside, nodding agreement. "If the Americans have come just to be tourists and watch the violence," she said, "then they should pack their guns and go."

The current fighting is between the Habir Gidir clan faction of Mohammed Farrah Aidid, Somalia's preeminent warlord, and a smaller rival faction, the Murusade, that is apparently trying to take advantage of General Aideed's weakened position to recover some of its traditional territory in the city. Since U.S. troops entered the capital on Dec. 9, General Aideed has been forced to keep a his once formidable military arsenal either confined to designated "cantonnements," or well outside Mogadishu.

6 Train Robbers Executed The Associated Press BEIJING — In a clear warning against crime on China's railroads during the Lunar New Year travel season, six people have been executed for a spree of train robberies that began in 1988.

Thin, Flat And Elegant: The IHT Personalized Pocket Diary Puts 1993 Right Into Your Pocket. Year after year — even at a period when diaries abound — the International Herald Tribune flat, silk-grain leather diary is the hit of the season. Ingeniously designed to be thinner-than-thin, it still brings you everything... including a built-in note pad with always-available "jotting paper".

سید من الامل

# Now you can make business more of a pleasure.



At JAL, we're constantly looking for new ways to make travelling on business with us even more enjoyable. It's with pleasure, then, that we announce JAL Mileage Bank Europe. Our JMBE mileage credits are available on all normal full fare First and Executive class tickets.

And the more JAL miles you fly (and until the 30th of June 1993 the

first 5,000 are free), the more there is on offer.

Among the many benefits are free flights to Hawaii. Free European Breaks. Free round trips to South East Asia. Free flight upgrades.

For further details of your free membership of JAL Mileage Bank Europe and even more reasons to fly JAL, just ring your nearest JAL office.



**Japan Airlines**  
A WORLD OF COMFORT

London 0800 220 115 Frankfurt (069) 1360-125 Paris (1) 4435-5585 Copenhagen 33 11 93 00 Amsterdam (020) 626 8541 Zurich (01) 211 15 57 Geneva (022) 731-7160 Madrid (91) 542-0000 Athens 3248211-5 Moscow 921-6648 or 921-6448 Vienna 535-5125 Brussels (02) 640 8580 Nairobi 220591, 221737 Cairo 5747233 Tehran 8823086-8

OPINION

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Serbia Must Be Stopped

The Bosnian Serb Army's calculated assassination of a deputy prime minister of the Bosnian government, even while he was under the direct protection of UN peacekeeping forces, is outrageous. Yet the event does not so much alter as illuminate the underlying realities of the Bosnian tragedy and of the efforts to deal with it by diplomatic means. Already there was much that was hard to swallow in the Bosnia settlement proposed at Geneva by Cyrus Vance for the United Nations and David Owen for the European Community. The latest incident near the Sarajevo airport confirms, in the most brutal way, how inadequate that plan is.

Toward Reform in Japan?

After 36 years of one-party dominance, Japan appears headed toward competitive politics. The leading faction of the governing Liberal Democratic Party has shattered, pointing the way to a realignment that could eventually bring an American-style two-party system. For a time, political infighting could make it harder for Tokyo to deliver on diplomatic deals. In the longer run, democratic competition would be good for Japan, and the United States.

A Light on Dark Matter

In eras long past, it was said that something invisible called "ether" filled up space, and while this seems implausible in retrospect, plausibility is no longer much of a criterion for evaluating the discoveries of modern astronomy. So no one should be too surprised about the abundant chunks and blobs of "dark matter" that have now been discovered to be cluttering up the interstellar vacuum that replaced the discredited "ether" as an intellectual construct. Cosmology connoisseurs have gotten used to absorbing these brain-benders via the news media whenever astronomers meet in large numbers. Last week's convention of the American Astronomical Society was no exception.

Cough, Cough, Cough

Evidence that smoking can harm nonsmokers has been accumulating for the last decade. In 1986, two of America's most prestigious health authorities — the National Academy of Sciences and the Surgeon General — concluded that fumes generated by smokers can cause lung cancer in adult nonsmokers and respiratory problems in the children of smokers.

The Rescue of Bosnia Can No Longer Wait

By Leslie H. Gelb

NEW YORK — Two men whose views must be respected stand in the way of lessening the bloodshed in Bosnia: Cyrus Vance, the heroic United Nations diplomat who negotiates tirelessly for a peace settlement, and General Colin Powell, the brilliant warrior who argues relentlessly against U.S. and allied military intervention.

Can the West intervene militarily in ways that will not lead to endless and inconclusive escalation?

possible for generations, perhaps longer. Hatreds surpass all reason. What is possible is to create a balance of power, and perhaps a ceasefire, to contain the war's worst horrors. Even that will be unattainable unless outside forces and aid are brought in to redress Serbian dominance.

Who Needs Dark Matter Anyway?

By Charles Krauthammer

WASHINGTON — The news from physics is not good. It seems that an X-ray satellite has detected evidence of enormous amounts of "dark matter" in the far reaches of space, perhaps enough to stop the expansion of the universe and cause its eventual extinction in the Big Crunch, a spectacular reversal of our birth in the Big Bang.

For Clinton, a Larger Question Looms in Somalia

By Stephen S. Rosenfeld

WASHINGTON — In Somalia, Bill Clinton faces a choice that may define his whole foreign policy. Should he stick with the original George Bush concept, which he has endorsed, and re-establish supply lines and broad security and then promptly replace American forces with UN peacekeepers and political fixers? Or should he yield to a temptation already visible on the ground in Somalia, and let the United States be drawn into managing the country's longer-term normalization and political revival?

A year or so ago things seemed clearer. The notion of setting down the special Cold War burden of a superpower and joining with others to pick up a common burden promised a desirable change, relief, company and effectiveness. But the explosion of the world into ethnic, racial and nationalistic pieces (among other developments) has administered a sobering lesson in the frustrations of post-Cold War global politics.

Senator Joseph Biden of Delaware, a Democrat. More is involved here than an American judgment on the strategic benefits and political commitments of being in charge. The realities of the American scene make it difficult for any commander in chief to put American troops in harm's way if he does not accept direct military and political responsibility for them.

Southeast Asia and Japan Can Be Security Partners

By J. N. Mak

KUALA LUMPUR — The specter of Japanese militarism is deeply rooted in Asian emotions. It may well surface again to haunt Prime Minister Kiichi Miyazawa. On Monday, the Japanese prime minister starts an eight-day tour of Indonesia, Malaysia, Thailand and Brunei. But fear of Japanese rearmament for aggressive purposes fails to take account of present geopolitical realities.

the last half-century that a remilitarized Japan would be in no position to repeat its territorial conquests of the 1930s and 1940s. Japan is a constrained power. In the 1930s, Asia was largely divided into colonies by Western imperial countries. Much of what remained nominally independent consisted of corrupt, ineffective regimes.

pan, threatening its vital trade lifelines and access to resources. The collapse of the Soviet Union and the end of the Soviet military threat in the Asia-Pacific region has put Japan at a strategic disadvantage. The country is no longer seen in Washington as a vital bulwark against Soviet expansionism in the Far East.

A Money Game Takes Over Hong Kong

By Criton M. Zoakos

MORRISTOWN, New Jersey — Conventional wisdom holds that the spar between Britain and China was triggered by Governor Chris Patten's effort to expand democratization before Hong Kong reverts to China in 1997. This misperception ignores China's bristk march to capitalism and the role of the colony's Chinese entrepreneurs in it.

individually owned enterprises in China grew from zero to 14 million. Private enterprises with multiple owners rose to six million, foreign companies to nearly 60,000. Sixty percent of all foreign investments in China have been made by Hong Kong's Chinese entrepreneurs, who in the 1970s supplanted British tycoons as the colony's leading economic power.

tancy contracts for Hong Kong's projected \$22 billion airport and container port, 35 have been awarded to British companies. The American Chamber of Commerce says U.S. engineering companies have been excluded from airport construction contracts despite superior expertise.

Hong Kong is prospering largely because it is the catalyst of the mainland's economic transformation.

the electoral base for the 1995 Legislative Council elections, the dispute is significantly fueled by competition between Britain's waning commercial interests and China's surging entrepreneurial capitalism.

in all this, major British interests such as Jardine Matheson and Swire Pacific have been overshadowed. Hong Kong is prospering largely because it is the catalyst of the mainland's economic transformation. Eighty percent of Hong Kong's manufacturing companies have branches in China, employing more than 3 million workers. And 50,000 managers and other professionals commute daily from Hong Kong to Guangdong.

to help maintain regional stability, Japanese peacekeepers are already serving in Cambodia under United Nations auspices in a non-combat role. Japan must cooperate with Asia if it wants to underwrite its own security.

Keep the Debate Out in the Open

THIS WEEK SEES the start of the long and winding road Governor Chris Patten's package of reforms will have to take through Hong Kong's labyrinthine legislative process. The first hurdle comes on Tuesday, when draft bills will be handed to Executive Council members for their comments.

1893: 'The Right to Live' LONDON — The interesting decision was made yesterday (Jan. 10) that "a deputation of twelve of the hungriest looking and worst clothed of the unemployed should wait on Mr. Gladstone to weigh their grievances, and demand an introduction of a bill for their relief." It was stated in the proceedings that on the first day of the session the unemployed would march to the Houses of Parliament in their thousands, and send a deputation into the House of Commons to "demand the right to live."

1943: New Guinea Battle

ALLIED HEADQUARTERS IN AUSTRALIA [From our New York edition:] Allied heavy and medium bombers continued yesterday (Jan. 10) to pound a Japanese convoy fleeing from Lae, New Guinea, scene of the enemy's costly attempt to land reinforcements, and direct hits were scored on two ships of the convoy from which two troop transports already had been sunk.

1918: Open-and-Bark Case

SAN SEBASTIAN — Following the disappearance of Senora Antonia Bologni from her home, the police set free two dogs belonging to the missing woman. The dogs trailed their mistress to a wood and the police, after making an excavation, found the body of Senora Antonia Bologni. There were several signs of violence.

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairmen LEE W. HUEBNER, Publisher JOHN VINOCLER, Executive Editor WALTER WELLS, News Editor SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors CARL GEWIRTZ, Associate Editor ROBERT I. DONAHUE, Editor of the Editorial Pages REGINALD DALE, Economic and Financial Editor RENE BONDY, Deputy Publisher RICHARD H. MORGAN, Associate Publisher JUANITA I. CASPARI, International Advertising Director ROBERT FARRÉ, Circulation Director, Europe International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Circulation, 612832; Production, 630698. Directeur de la Publication: Richard D. Stevens Chairman from 1958 to 1982: John Hay Whitney Editor for Asia: Michael Richardson, 5 Cambridge Rd, Singapore 0511. Tel. 472-7768. Telex: R259928 Mng. Dir. Asia, Rick D. Krumpal, 50 Gloucester Rd, Singapore. Tel. 8610616. Telex: 61170 Mng. Dir. U.K., Garry Thorne, 63 Long Acre, London WC2E. Tel. 836-4802. Telex: 262009 Gen. Mgr. Germany: W. Lamberbach, Friedrichstr. 106 (069) 726753. Telex: 416721 Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3800. Telex: 421775 S.A. © 1992, International Herald Tribune. All rights reserved. ISSN: 0294-3952

سوال من الاجل



CAPITAL MARKETS

Big Redemptions Promise A Year of Many Returns

By Carl Gewirtz
International Herald Tribune
PARIS — The opening week's activity in the international capital market set the pace for what surely will be a hectic, and most likely a record, volume of business this year.

Ontario is seen following the World Bank with a jumbo dollar issue.

This BIS data covers the total universe of foreign bonds, including private placements in Swiss francs as well as foreign bonds sold in domestic markets, which are not considered Eurobonds.

Kidder, Peabody & Co. and Merrill Lynch & Co., among the most active arrangers of such issues, insist demand remains strong, particularly from Switzerland, where investors want to hold dollars for expected currency gains but are wary about buying fixed-rate paper.

EUROBONDS, Page 11

Punt Written Off, Franc Questioned

By Carl Gewirtz
International Herald Tribune

PARIS — With Ireland's overnight interest rates at an economically unsustainable 100 percent and the punt still pinned to its floor level in the European currency grid, foreign exchange analysts say it can only be a matter of days until the currency is devalued.

In Dublin, Prime Minister Albert Reynolds agreed to form a new coalition government with the opposition Labor Party on Sunday and immediately pledged to "take all necessary steps" to avoid a devaluation, Reuters reported.

Such a move can only add to the doubts about whether France can afford the high interest rates needed to preserve the franc's parity against the mark.

Balladur Pledges Free Central Bank

Reuters

PARIS — Edouard Balladur, the French opposition politician considered a leading candidate to become prime minister after a general election in March, said Sunday he would make France's central bank independent by July.

He also vowed to maintain a strong franc and do everything in his power to avoid a devaluation. "I see no reason to devalue the franc," he said.

With inflation at around 2 percent and short-term rates at 12 percent, Jonathan Hoffman at Credit Suisse First Boston in London warned that "real interest rates over 10 percent are not sustainable for very long, neither for the manufacturing sector, where profits have been savaged, nor the financial sector, hit by bad debts on property-related lending."

Iran Pessimistic On OPEC's Will To Support Oil

Reuters

DUBAI — Iran does not expect any move by the Organization of Petroleum Exporting Countries to halt the decline in world oil prices before the group's next meeting on Feb. 13, despite Tehran's proposal for a cut in its own output, oil sources close to Iran said Sunday.

Views on the dollar were positive. "Signs pointing to an increase in U.S. growth are a plus for the dollar, especially in the context of continued interest rate declines in Germany," said Mr. Magnus, but he saw the expected dollar advance coming only after German rates fell.

Oil prices traditionally rise sharply on fears of Gulf instability, but the market was apparently unimpressed by this week's confrontation between Iraq and the Western allies, which appeared to have eased by Sunday.

Storms Hit Norway Field
Storms virtually closed the biggest oil field in the North Sea Saturday, slashing about a quarter from Norway's daily production of 2.3 million barrels, Reuters reported from Oslo.

Icahn \$100 Million Poorer After TWA

Compiled by Our Staff From Dispatches

NEW YORK — Carl C. Icahn lost more than \$100 million on his investment in Trans World Airlines Inc. after putting in about \$400 million, according to week-end estimates from people close to the situation.

He said the giants of the business suffer from overcapacity and a high cost structure. Even if the U.S. economy improves, the bigger carriers will still have problems but TWA will survive if it can keep its costs down, he added.

He said the giants of the business suffer from overcapacity and a high cost structure. Even if the U.S. economy improves, the bigger carriers will still have problems but TWA will survive if it can keep its costs down, he added.

Robin Wilson, part of the new two-person management committee, said the airline would emphasize quality of service and intended to be more competitive.

He said the giants of the business suffer from overcapacity and a high cost structure. Even if the U.S. economy improves, the bigger carriers will still have problems but TWA will survive if it can keep its costs down, he added.

There are no strategic assets that are up for sale," Mr. Wilson said, adding that a plan of reorganization to take TWA out of bankruptcy would be filed later this month or in early February.

THE TRIB INDEX
International Herald Tribune World Stock Index, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News.
Week ending January 8, daily closings, Jan. 1992 = 100.
World Index, Asia/Pacific, Europe, North America, Industrial Sectors/Weekend close.

Barcelona Notebook

Shell's Memory May Haunt Spain

Royal Dutch/Shell is about to complicate the government's effort to dismantle Spain's oil monopoly.

The Anglo-Dutch giant has decided to seek compensation for Spanish assets expropriated in 1929. According to a company spokesman, Shell is entitled to get its assets back once the reason for the expropriation has been invalidated: "If the government takes part of your garden to build a railway, and the railway then closes, then you get your garden back. That's Spanish law."

Some of Shell's former holdings are now in the hands of competitors, namely the cartel formed by Spain's Repsol and Cepsa and BP Oil Espana. These three companies control the former state-owned oil distribution monopoly and operate close to 90 percent of the country's 5,100 service stations.

Against this depressing background it is refreshing to know that at least one Spanish product, cava, will bring considerable cheer this New Year. For cava is about the closest competitor there is to champagne, and its sales suggest that the world is beginning to take note.

Exports of cava have increased from just 3 million bottles in 1975 to over 40 million in 1992. The largest cava producer, Freixenet, is now the world's leading producer of wines made according to the so-called methode champenoise.

Cava, of course, is not champagne. But it does enjoy the equivalent EC quality and regional denomination as its more famous French cousin. Its heartland is the rich industrial region of Catalonia.

Freixenet is a good example of a worryingly rare species: an internationally successful Spanish company. The company accounts for 70 percent of cava exports and produces sparkling wines in California, Mexico and, since 1985, in the Champagne region of France itself. It is now expanding into Russia, China and Vietnam.

The Spanish government has promised the world a series of structural reforms to set its economy right. Proposed measures to liberalize its infamously inflexible labor market include an overhaul of the administrative red-tape that makes layoffs in Spain among the costliest in the world.

The problem lies in the increasingly long shadow being cast by the general election, which must be called before October. A certain political paralysis is setting in, and divisions within the ruling Socialist party and its schizophrenic relationship with its formerly affiliated union are beginning to dominate matters.

In May 1992, the government introduced a strike bill to parliament, incorporating proposals from the country's business federation but ignoring the unions. By November, a revised bill had been reintroduced in agreement with the unions, this time ignoring the business federation. In recent weeks, Economics Minister Carlos Solchaga Catalan suggested that the revised bill should be revised once again, reconsidering the views of the employers.

Brian McGarry

STARTING 15 YOU CAN BEAT THE TREND
1993
15 FRIDAY
Trading begins in the DTB option on Babi futures.

Interest rates are fluctuating. Is the Bundesbank about to make a move? Even the professionals are having a hard time predicting which way the trend will go.

This option has the benefit of a strong underlying market in the DTB Babi futures contract, one of the world's most widely traded medium-term interest-rate futures. Exercise price intervals of 25 ticks allow you to fine-tune the level of risk in a way that is optimally suited to your investment strategy.

For more information, fax: 69/153 03-310. Or write to: DTB Deutsche Terminbörse, Infoservice, Postfach 1702 03, D-6000 Frankfurt am Main 1.



CURRENCY RATES

Table with columns for Currency, Par \$, and Jan. 8. Includes sub-sections for Cross Rates and Other Dollar Values.

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Limited, London, Tel: 322 40 00. Prices may vary according to market conditions and other factors. Jan. 8

Canadian Dollars

Table listing Canadian bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

ECU Straights

Table listing ECU straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

ECU Straights

Table listing ECU straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

ECU Straights

Table listing ECU straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

ECU Straights

Table listing ECU straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

ECU Straights

Table listing ECU straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

ECU Straights

Table listing ECU straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

ECU Straights

Table listing ECU straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

ECU Straights

Table listing ECU straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

NEW YORK (AP)

Table listing New York bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

NEW YORK (AP)

Table listing New York bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

NEW YORK (AP)

Table listing New York bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

NEW YORK (AP)

Table listing New York bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

NEW YORK (AP)

Table listing New York bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

NEW YORK (AP)

Table listing New York bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

NEW YORK (AP)

Table listing New York bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

NEW YORK (AP)

Table listing New York bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

NEW YORK (AP)

Table listing New York bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

MUTUAL FUNDS

Figures as of close of trading Friday, Jan. 8.

Large table listing mutual fund prices with columns for Fund Name, Bid, Ask, and other details.

TO OUR READERS IN HOLLAND It's never been easier to subscribe and save. Just call today: 02503-40024

السوق المال

New International Bond Issues

Compiled by Laurence Desvillies

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price and yield, Terms. Includes sections for Floating Rate Notes and Fixed-Coupons.

Bond Traders Fail to Heed Warnings of History

By Robert D. Hershey Jr. New York Times Service

WASHINGTON — On Wall Street, the professionals who buy and sell bonds for a living are known as skeptics who reputedly can see inflation threats visible to...

U.S. CREDIT MARKETS

no one else. Their hypersensitive reactions to shifting federal budget prospects are now studied by politicians as well as investors. But the skeptics, at least until the past few days, seem to have become complacent. How else do you explain a yield of less than 7.50 percent on 30-year Treasury bonds...

showing American growth picking up have tended to push interest rates down, not up, in the belief that Mr. Clinton will need a less ambitious stimulus package.

More likely, however, the skeptics have forgotten — or never learned — history and do not recognize the deficit's structural nature.

Jimmy Carter with his "zero-based" methodology projected a balanced budget, and he left office with record red ink. The same, with large, for Ronald Reagan. Similarly, Richard G. Darman, the director of the Office of Management and Budget, said four years ago:

"We will succeed at deficit reduction," only to watch the deficit more than double, to \$327.3 billion for the current year.

The Gramm-Rudman-Hollings legislation failed to contain, much less reduce, the deficit. Nor has the available Budget Reconciliation Act of 1990. The government, which last posted a surplus in 1969, can no longer envision budgetary balance in distant years.

Last week's annual projections by the administration of President George Bush brought a replay of political arguments about phony numbers, allowing Mr. Clinton's

camp to start backing away from campaign pledges to halve the deficit over four years.

United Press International reported from New York:

Heavy issuance of corporate bonds pushed up yields on long-term government issues, but the bellwether 30-year Treasury still offered less than a 7.50 percent yield. The 30-year bond fell 27 3/4, to 101 27/32, pushing up its return to 7.46 percent on Friday from 7.39 percent a week earlier.

Short-term securities, however, posted small gains on lack of supply. Two-year notes rose 4/32

point, cutting their yield to 4.48 percent from 4.55 percent.

Analysts said corporate debt issuance of more than \$12 billion swayed the market, causing long-term prices to tumble as companies rushed to take advantage of exceptionally low interest rates. Municipalities and other bond issuers are expected to continue to take advantage of early refunding clauses to call in high-interest bonds and replace them with securities offering lower rates.

Some analysts predicted corporate America would unload as much as \$30 billion of fresh paper by the end of February.

The Week Ahead: World Economic Calendar, Jan. 11-15

Table with columns: Date, Event, Location. Lists economic events for Europe, Asia, and The Americas from Jan 11 to 15.

Euromarkets At a Glance

Table with columns: Instrument, Jan. 4, Dec. 31. Lists yields for various Eurobond instruments.

Weekly Sales

Table with columns: Instrument, Jan. 7, Dec. 31. Lists weekly sales for various instruments.

Libor Rates

Table with columns: Instrument, Jan. 8, Dec. 31. Lists Libor rates for various instruments.

Last Week's Markets

Table with columns: Instrument, Jan. 8, Dec. 31. Lists market performance for various instruments.

BusinessWeek advertisement with text: 'This week's topics: Ford Of Europe Struggles For A Turnaround, IBM: What It's Really Worth, How Clinton Will Deal With Japan, The Power Of Mutual Funds, Innovation's New Face. Now available at your newsstand!'

EUROBONDS: Foreigners Snap Up Franc Bonds

(Continued from first finance page) investments for customers. That would remove a large chunk of the issue from public trading, create a scarcity and drive up the price. Another jumbo global is expected to hit the market this week. The Province of Ontario is expected to raise at least \$1.5 billion via an issue of 10-year bonds. Japan's Export-Import Bank is said to be working on a seven-year issue of \$400 million.

rats expire March 31 — following the legislative elections, by which time the franc crisis is expected to have been resolved. Credit Commercial de France, the lead manager, estimated SNCF saved 0.04 percent, or four basis points, by tacking warrants onto the bonds. Bankers also reported a substantial portion of the 16.4 billion francs of long-term bonds sold by the government at midweek were taken by nonresidents. Finally, when tension in the foreign exchange market dissipated following the Bundesbank's decision to cut its key money market rate, new-issue activity in the Eurofranc market exploded.

year later — giving them 100 percent exposure to any rally in French bond prices with only a 40 percent down payment. That advantage enabled Credit Local to sell its paper at an unusually low yield of about 25 basis points below government paper. It then swapped the entire exposure into a floating-rate liability at 10 basis points below the interbank rate. Using more traditional structures, Credit Foncier launched 3 billion francs of 10-year bonds carrying a coupon of 8.375 percent and Credit National sold 1.5 billion francs of three-year notes carrying a coupon of 8.25 percent. In the mark sector, Finland raised 3 billion DM, with 2 billion offered at a yield of 53 basis points above German government paper and 1 billion distributed at a spread of 50 basis points. The seven-year bonds carry a coupon of 7.50 percent. Italy this week is expected to issue 4 billion DM of five-year bonds. The Canadian dollar market was also active with 1.6 billion of new issues, mostly driven by attractive swaps and raising questions whether this is more than the market can bear.

American on Trial in Guinness Case

LONDON — An American lawyer who advised the chief executive of Guinness PLC during its takeover bid for the Scotch whisky maker Distillers Co. goes on trial Monday in the latest chapter of the British scandal.

for the past few years working with a Washington law firm, has denied charges that he stole \$5.2 million from Guinness and said this was a success fee, media reports said. The trial will be the fourth in the Guinness series brought by Britain's Serious Fraud Office.

The first trial in 1990 which lasted 113 days brought guilty verdicts against the former Guinness chief executive, Ernest Saunders; Anthony Parmes, a stockbroker; and two business executives, Gerald Ronson and Jack Lyons.

Advertisement with text: 'How do you call a foreign country when you're already in one? Pick a card, any card.' Includes image of a hand holding cards.

Sprint Express advertisement with text: 'Sprint Express makes it easy to call a foreign country when you're already in one. And you don't have to be a Sprint customer. Simply dial any of the access numbers listed below to reach a Sprint operator in the U.S. who can complete your call to almost anywhere in the world. You can use your U.S. local calling card\* or Sprint FONCARD. And you'll be billed on your regular phone bill. You can even make collect calls if you're calling the U.S. Just think, no more hotel surcharges or fumbling for the right currency. With Sprint Express all you do is make your calls. Calling country to country is that simple. The odds couldn't be stacked more in your favor.' Includes Sprint logo and a table of access numbers.

Handwritten signature: 'JAVICO 1993' in a box.

WORLD STOCKS IN REVIEW

By Agence France-Press

Amsterdam

A quarter-point cut in interest rates helped the market start the year in a very optimistic mood with interest focused mainly on financial and food stocks.

The CBS all-share index closed at 200.1 points, up from 198 at the end of the previous week. Volume was an active 16.9 billion guilders, with 3.6 billion in equities.

The Bundesbank's decision to shave short-term money market rates was taken as a signal by the Dutch central bank for a cut of 0.25 point in short-term rates and encouraged hopes more reductions would follow.

Frankfurt

Stocks edged higher, but traders were nervous about the weak German economy and the relatively high level of interest rates. The DAX spot trend index gained 0.91 percent, rising to 1,531.52.

Operators said tensions within the European Monetary System, especially pressure on the French franc, fed hopes of a reduction of German interest rates. The Bundesbank kept its Lombard and discount rates unchanged but did cut a key money-market rate.

Westdeutsche Landesbank Girozentrale said the bourse already has digested unfavor-

able German economic developments "to a large extent."

Hong Kong

Prices inched higher, lifted by bargain hunting after recent losses but still prone to political jitters. The Hang Seng Index gained 17.17 points, to 5,529.56.

Prices dipped on the first trading day of 1993 amid another surge of concern about the Sino-British row over Hong Kong's political future. The market recovered Tuesday and Wednesday but gains were cut at the end of the week as China renewed its threat to set up a separate government in 1997.

London

Despite reaching successive highs on Monday and Tuesday, profit-taking and fears about impending new issues sent the Financial Times-Stock Exchange 100-share index falling 47.3 points, or 1.6 percent, to 2,799.2 last week.

Late in the week, prices suffered from fears the recent rally had been overdone and that several companies might be tempted to take advantage by calling for cash injections in the form of new shares.

British Aerospace gained 25 pence on the week to 190, helped by news of talks with

Boeing on a superjumbo plane and general recovery hopes.

Milan

Prices rose on the prospect of government measures to stimulate the economy, sending the MIB index up 1 percent, to 1,010.

Activity remained low but volume edged higher to a daily average of 63 million shares, against 60 million the previous week.

The market is looking forward to government measures to stimulate investment in stocks as well as an economic recovery, brokers said.

Paris

Investors, unsatisfied with the modest Bundesbank interest-rate move, pushed the CAC-40 index down 0.3 percent last week, to 1,857.78 points.

The market also was depressed by the resumption of speculation about the franc. If a bold German rate cut does not come soon, France's strong economic fundamentals, which have allowed the franc to resist the attacks, could be endangered, analysts said.

Singapore

Strength in the Singapore and U.S. economies gave the Straits Times industrial index an

impressive gain of 31.76 points last week, pushing it to 1,556.16, while the S&P 500 index inched 6.98 points, to 401.61. Although major players and foreign fund managers stayed on the sidelines much of the week, smaller players gave good buying support with selective blue chips finding favor.

Tokyo

The market saluted the engagement of the Crown Prince with a brief rise Thursday but fell for the week as investors failed to find positive factors to stimulate stagnant equities. The Nikkei Stock Average of 225 selected issues fell 290.26 yen, to 16,634.69, while the broader Tokyo Stock Price Index fell 18.14 points, to 1,289.52.

Index-linked selling contributed to the declines, traders said, adding that investors were waiting for new elements to stimulate the market.

Zurich

The Swiss Performance Index eased 6.7 points, to 1,231.05, depressed by the failure of the Bundesbank to reduce interest rates forcefully. CS Holding fell 104 francs to 1,990 after announcing its stock-swap bid for Swiss Volkbank, which rose 325 to 1,045.

Bid Sayonara to Lifetime Jobs

Pioneer Dumps Managers as Times Get Tough in Japan

By Andrew Pollack

New York Times Service

TOKYO—The unthinkable has happened in Japan, and it has touched a nerve in the ranks of the nation's middle managers.

A well-known maker of audio and video equipment, Pioneer Electronic Corp., conceded last week that it was essentially firing 35 middle managers—a candid admission that Japanese companies have begun to violate their long-cherished policies of lifetime employment.

Such a move would barely attract notice in the United States, where thousands of employees are sometimes given pink slips in a day. But in Japan, the commitment to keeping people employed through good times and bad is a pillar of a management system that keeps Japanese workers highly dedicated to their companies.

And the move, in the midst of a severe economic slump, portends significant changes in the Japanese corporate culture.

"My first reaction, honestly, was, 'My God, it has come to this,'" an automobile executive said. He quickly added, "If the current slump continues for another year or two, a lot of companies will be doing the same thing."

Pioneer, a Tokyo-based maker of car stereos, laser-disk players and other electronic gear, did not actually fire the employees outright, a spokesman said. Rather, it told the managers in late December that they would have until the end of January to retire.

If the managers, all in their 50s, did retire, they would receive a hefty bonus. If they did not, they would eventually be dismissed.

Takeo Naruse, deputy general manager of the Japan Federation of Employers' Associations, a lobbying group, called the Pioneer move "shock therapy." He said most companies would not resort to such drastic actions, which could hurt company morale. Still, he said, "Gradually, Japanese employment practices are changing."

To be sure, lifetime employment has never been universal. Small and medium companies, which offer supplementary benefits to large companies, frequently lay off workers and act as a buffer to help the big companies maintain full employment. Even at large corporations, the job guarantee does not apply to legions of part-time or temporary workers.

But at Pioneer, the managers affected are full-time employees. Some observers said Pioneer's approach was a slightly stricter version of what was happening quietly in many businesses, with managers being asked to retire for the good of the companies.

Another aspect of management that is changing is the seniority system, in which promotions and salaries tend to rise with length of service. That has weighed down companies with many middle-aged managers with high salaries but little opportunity to advance.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, Jan. 8.

Table with columns: Symbol, Sales, High, Low, Close, Net Change. Lists various OTC stocks like ABB, ABBN, ACC, etc.

Table with columns: Symbol, Sales, High, Low, Close, Net Change. Lists various NASDAQ stocks like ABB, ABBN, ACC, etc.

Table with columns: Symbol, Sales, High, Low, Close, Net Change. Lists various NASDAQ stocks like ABB, ABBN, ACC, etc.

Table with columns: Symbol, Sales, High, Low, Close, Net Change. Lists various NASDAQ stocks like ABB, ABBN, ACC, etc.

(Continued on next page)

Handwritten Arabic text at the bottom of the page.

MONDAY SPORTS GOLF

Bad Times for the Big Teams
7 Ranked Schools Drop Conference Games

The Associated Press
With the college basketball season now deep in conference play, some big-name schools are starting to lose with regularity.
Three ranked Big Ten schools — No. 8 Iowa, No. 9 Purdue and No. 14 Michigan State — dropped to 0-2 in the conference with losses Saturday...

Becker Shuts Down Ivanisevic in Qatar

DOHA, Qatar — Boris Becker beat Goran Ivanisevic, who had vowed to avenge two recent defeats by the German, in a thrilling Qatar Open final on Sunday.
Becker, who defeated the Croat in both the Paris Open and ATP world championship semifinals in November, won the Qatar title, 7-6, 4-6, 7-5, in two hours, 27 minutes.

Said Boston College's coach, Jim O'Brien: "There's no question we're a better team than we have been. We can play with anybody in our league. But let's not get carried away with this."
Only four undefeated teams remain. They are No. 1 Duke, No. 2 Kentucky, No. 25 Virginia and unranked Xavier, Ohio.

Ohio State 92, Iowa 81: In Columbus, Ohio, freshman Greg Simpson came off the bench to score a career-high 23 points and Ohio State, 9-2 and 2-0 Big Ten, matched a school record with 11 3-pointers against Iowa, 11-2 overall.
Minnesota 81, Purdue 60: In Minneapolis, the Golden Gophers, off to their best start since 1989-90, got 17 points from Voshon Lenard and Jayson Walton. Minnesota, now 10-1 and 2-2 in the Big Ten, broke a 43-43 tie with a 17-6 run. The Boilermakers, 9-2 overall, were led by Glenn Robinson's 25.



Calbert Cheaney of Indiana scoring emphatically in the Hoosiers' 105-57 victory over Penn State.

Indiana 105, Penn State 57: In Bloomington, Indiana, the Nittany Lions were crushed in their first Big Ten road game as the No. 5 Hoosiers, 13-2 and 2-0, never trailed. Damon Bailey finished with a season-high 28 for them.
North Carolina 101, Maryland 73: In Chapel Hill, North Carolina, Eric Montross dominated inside, scoring 17 points and grabbing 13 rebounds as the No. 6 Tar Heels, 12-1 and 2-0 in the Atlantic Coast Conference, won easily. North Carolina reached 100 points for the seventh time this season by shooting 55.7 percent.
Seton Hall 91, Providence 79: In Providence, Rhode Island, Terry Dehere scored 28 points, including 24 in the first half, to lead the No. 7 Pirates to victory. Dehere's third 3-point game Seton Hall, 13-1, 3-0, its largest lead in the first half at 52-20 with 2:10 remaining.

Davis Love Splashes To a One-Shot Lead In Champions Golf

By Jaime Diaz
New York Times Service
CARLSBAD, California — Employing the same newfound coolness with which he has held three tournament-winning putts in recent weeks, Davis Love 3d made a longish birdie putt on the 18th hole of the third round to take a one-stroke lead in the Tournament of Champions.
After his pressure-packed final 15-foot (4.56-meter) putt on Saturday, Love said, "That last hole felt like Sunday for sure."
He shot a 69 for a 54-hole total of 13-under-par 203 over the rain-soaked La Costa Resort and Spa course, one stroke ahead of Paul Azinger in the elite field of tournament winners from 1992.
Rain has been a problem since the start of the tournament, the opener on the 1993 PGA Tour. The first round was postponed from Thursday to Friday, when the touring pros played it and the second round. The 36 holes kept Love out on the course for a little more than eight hours, The Associated Press reported.
In Friday's play, the golfers plodded through mud and muck, and puddles of casual water that forced officials to allow players to lift, clean and place balls in the fairway.
"If we hadn't been able to lift, clean and place we wouldn't have played," Love said after a pair of 3-under-par 67s and a 134 total Friday. He said he frequently had to move the ball 20 yards or more to find dry land and once was as much as 40 yards, AP reported.
Azinger, who qualified for this event with a victory in the last official tournament of the 1992 season, the Tour Championship, scored six consecutive birdies in an opening round of 65 and closed with a 69 on Friday.
On Saturday, the putt that gave Love the lead came moments after Azinger had sunk a 40-footer of his own for a birdie that temporarily tied him with Love at 12 under. After congratulating Azinger, Love stepped up to his uphill putt and smothered it into the hole.
"Mine felt twice as long after he made his," said Love. "When he made it, he looked at me like he was saying, 'I knew I had to make that putt.'"
" I just told myself, 'You've made these before, just go ahead and hit it.' Then I just went through my routine."
Indeed, Love is getting into the habit of making winning putts on the final hole. He made a 15-foot birdie putt on the 72d hole of the World Cup that he and Fred Couples won in November, a 40-foot eagle putt on the 72d at Kapalua Invitational that gave him a one-stroke victory over Mike Hulbert and an 8-foot birdie putt that gave him and his partner, Tom Kite, victory at the Stark Shootout.
" I expected him to make it before I hit my putt," said Azinger, who had a 70 for a total of 204. "He had been hitting perfect putts all day. He was just due."
Until the final putt, both Love and Azinger had played spotty rounds in the soggy conditions. Azinger had taken a one-shot lead after nine holes, but took 3 from off the green on the par-410th of a bogey, and three-putted the par-3 11th for another bogey to surrender the lead. After he tied Love with a 4-foot birdie putt on the par-5 13th, both players parred the next three holes.
But on the 569-yard par-5 17th, Azinger hit his 25-foot attempt at birdie 4 feet past the hole and missed the return.
" The law of averages just caught up with me," said Azinger, who won this tournament in 1990. "When you have three three-putts on the back nine, it's pretty tough to win."
On the 421-yard, par-4 18th hole, Azinger hit a 6-iron approach to within 40 feet and Love hit a 7-iron to 15 feet to set up the drama on the final green.
Their closest pursuer Saturday was Brad Faxon, who had 67, the lowest round of the day, to finish at nine-under-par 207. Mark O'Meara and Dan Forsman were tied at 208. O'Meara had a third-round 68 and Forsman 69.
In the Senior division, Al Geiberger and Jim Dent were tied at seven-under-par 209.
Raymond Floyd, who at age 50 is the first man to play in both divisions of this tournament simultaneously, had a 75 to fall far back at even-par 216.
" I hit 45 of 54 greens, but I didn't have it close and my putting was very bad," Floyd said.

NASDAQ NATIONAL MARKET
OTC Consolidated trading for week ended Friday, Jan. 8.
(Continued)
Table with multiple columns listing various stocks, their prices, and market activity.

# MONDAY SPORTS SKIING

## Heinzer Wins Downhill, Tomba Slalom

Compiled by Our Staff From Dispatches  
**GARMISCH-PARTENKIRCHEN, Germany** — The Swiss veteran Franz Heinzer conquered treacherous, icy conditions Sunday on one of the toughest World Cup courses to win the first men's downhill of the season.

On Saturday, the men's skiing circuit was enlivened by the season's first victory for Alberto Tomba in the slalom. The flamboyant Italian, Olympic champion in the giant slalom, had finished second in the last two World Cup slaloms of 1992.

Chad Fleischer, both suffered spectacular falls of more than 30 meters and crashed into safety barriers. While Kit was able to ski away, Fleischer suffered a bruised side and a possible muscle tear, and was flown to a hospital by helicopter.

Martin Viala, a German, suffered a broken nose and slight concussion when he hit a fence after the finish line.

The Garmisch course is regarded as one of the most challenging even in good conditions. But on Sunday the racers really had to trust their ski edges hard into the snow to keep control on the turns and their knees were jolted violently as they whipped down the rough course at speeds of over 120 kph (75 mph).

So hard was the course, in fact, that organizers shifted three women's World Cup races scheduled for Garmisch-Partenkirchen next weekend to Corvina d'Ampezzo, the Italian resort where these weekend's women's races were staged.

Also, the men's downhill scheduled for next Saturday at Kitzbuehel was moved to Saint-Anton because of lack of snow.

Luxembourg's Marc Girardelli, who finished fifth in Sunday's downhill, scaled the combined event to regain the overall lead in the men's World Cup. He took a 96-

point lead over Tomba, who races only slaloms and giant slaloms.

On Saturday, the Italian produced the perfect riposte to critics at home who had accused him of lacking attacking edge. Standing seventh after the first leg of the slalom, Tomba attacked the course on the second run to seal a convincing victory in an aggregate 1:38.65.

(Reuters, AP, AFP)



Carole Merle of France leaning into a gate on her way to victory Sunday in the giant slalom.

## Merle Keeps the Pressure on Wachter

**CORTINA D'AMPEZZO, Italy** — Carole Merle of France won her second successive giant slalom race on Sunday to maintain the pressure on the overall World Cup leader, Anita Wachter.

On Saturday, Germany's 19-year-old Regina Häsli upstaged her more illustrious teammates to claim the first Alpine skiing World Cup victory of her career in a downhill.

Merle was fastest over both legs on the tricky Olympia delle Tofane course. She posted an aggregate time of 2 minutes 31.54 seconds, beating Wachter of Austria into second place by 0.66 seconds for the 20th World Cup triumph of her career.

Her victory cut Wachter's lead at the top of the overall standings to 108 points. Wachter has

531 points to Merle's 423. Deborah Compagnoni of Italy was third on Sunday.

"It is a tough course but then I'm a strong competitor," Merle said. "I made a bad mistake on the first run but none on the second."

Merle had a lead of just 0.06 seconds over Wachter from the first leg, squandering the chance to build a bigger advantage by making an error on the lower part of the course.

But she skied perfectly on the second run to ensure her ninth World Cup victory in the discipline. Merle had won last week in Maribor, Slovenia.

Wachter, bidding to retain the World Cup for Austria after the recent surprise retirement of Petra Kronberger, was happy to settle for second place.

"I had some problems with visibility on the top part of the course where you switch from bright sunlight to shaded stretches," the Austrian said.

Merle, second behind Kronberger in the World Cup last season, is running into splendid form, this win following a fourth place in Saturday's downhill.

In that race, Häsli posted a time of 1:28.49 seconds on the Olympia delle Tofane, squeaking past Heidi Zurbruggen of Switzerland by 0.15 seconds.

The World Cup downhill champion, Katja Seizinger of Germany, had to settle for third place, a further 0.03 seconds back.

The Germans have dominated the discipline this season. Häsli's previous best finish was third in a super-G in Lake Louise last month.

Michaela Gerg-Leitner of Germany fell and organizers later said she damaged ligaments in her right knee.

## SCOREBOARD

### BASKETBALL

#### NBA Standings

EASTERN CONFERENCE		CENTRAL DIVISION		WESTERN CONFERENCE		PACIFIC DIVISION	
Team	W-L	Team	W-L	Team	W-L	Team	W-L
New York	11-1	Chicago	22-17	Phoenix	23-8	Seattle	22-7
New Jersey	10-2	Cleveland	20-16	San Antonio	21-9	Portland	20-10
Orlando	16-4	Charlotte	16-14	San Antonio	17-13	Portland	14-20
Boston	17-6	Charlotte	16-14	San Antonio	17-13	Portland	14-20
Philadelphia	11-19	Charlotte	16-14	San Antonio	17-13	Portland	14-20
Washington	10-21	Charlotte	16-14	San Antonio	17-13	Portland	14-20
Atlanta	14-17	Charlotte	16-14	San Antonio	17-13	Portland	14-20
Milwaukee	14-17	Charlotte	16-14	San Antonio	17-13	Portland	14-20

### SOCCER

#### ENGLISH PREMIER LEAGUE

Team	Pts
Arsenal	19
Sheff Wed	14
Sheff Utd	12
Blackburn	11
Wimbledon	10
Sheff Sat	9
Leeds	8
Coventry	7
Nottingham	6
Crystal Palace	5
Everton	4
Sheff Mon	3
Sheff Utd	2
Sheff Wed	1
Sheff Sat	0

### WORLD CUP RESULTS

Event	Gold	Silver	Bronze
Downhill (Men)	Franz Heinzer (S)	Alberto Tomba (I)	Regina Häsli (S)
Slalom (Men)	Alberto Tomba (I)	Regina Häsli (S)	Heidi Zurbruggen (S)
Downhill (Women)	Regina Häsli (S)	Carole Merle (F)	Deborah Compagnoni (I)
Slalom (Women)	Carole Merle (F)	Regina Häsli (S)	Deborah Compagnoni (I)

### CAMPBELL CONFERENCE

Team	W-L
Chicago	22-17
Detroit	21-18
Minnesota	21-18
Toronto	20-19
St. Louis	19-20
Tampa Bay	18-21

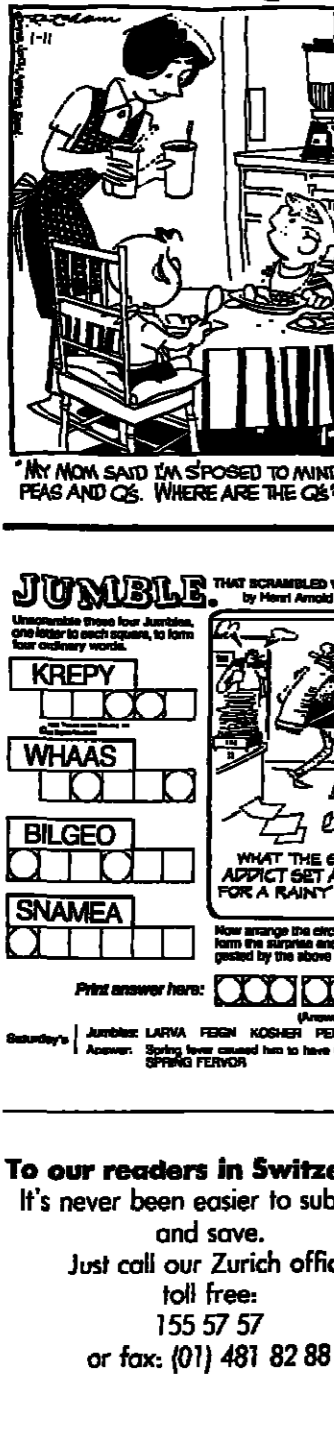
### FRIDAY'S RESULTS

Team	W-L
New Jersey	10-2
Orlando	16-4
Boston	17-6
Philadelphia	11-19
Washington	10-21
Atlanta	14-17
Milwaukee	14-17

### WOMEN

Team	W-L
New Jersey	10-2
Orlando	16-4
Boston	17-6
Philadelphia	11-19
Washington	10-21
Atlanta	14-17
Milwaukee	14-17

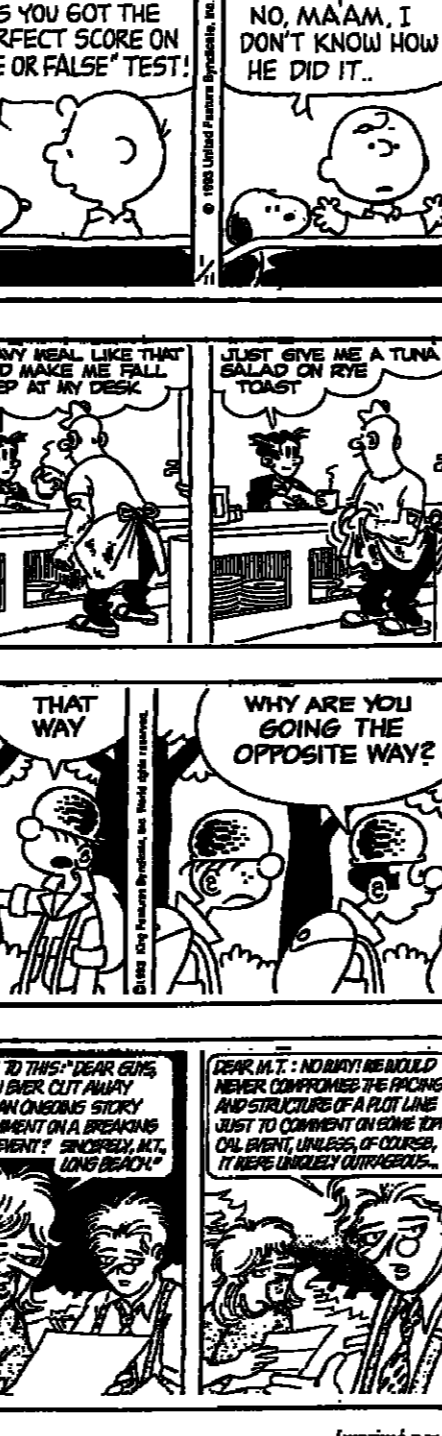
### DOONESBURY



### BLONDIE



### PEANUTS



### WIZARD of ID



### REX MORGAN



### GARFIELD



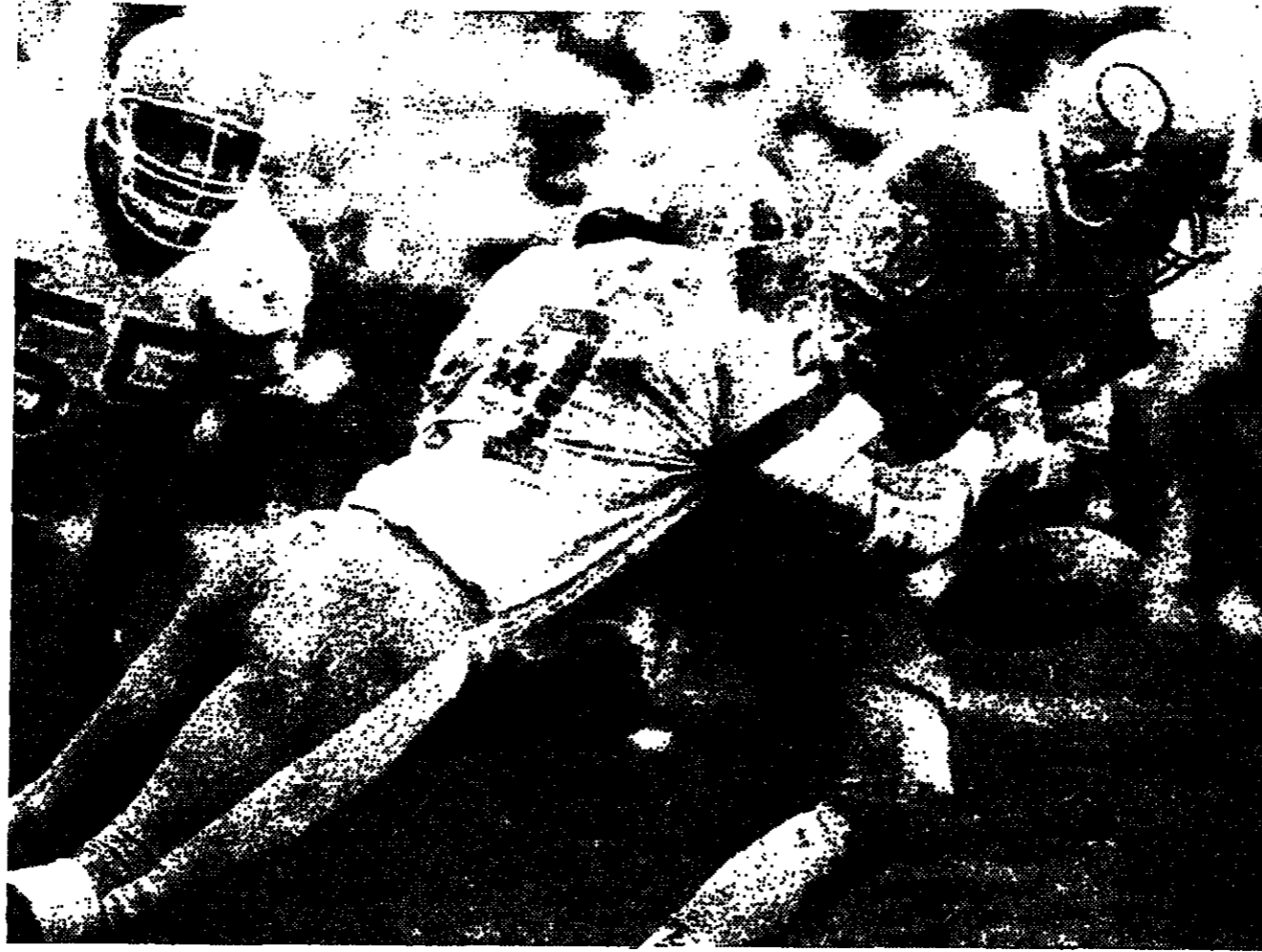
MONDAY SPORTS FOOTBALL

Cowboys Roll Into NFC Final Against 49ers, Bills Advance

Washington Slips Up In San Francisco Mud

By Thomas Boswell
Washington Post Service
SAN FRANCISCO — The turf in Candlestick Park looked like some moose had fought, gouging out humps of grass and muck. Even in the twilight, anybody could see the magnitude of the mess. A quarter-back, pivoting to make even the most basic handoff, would be thinking about his feet, not his hands. And not a slippery, malicious football.

Seconds before halftime, 49ers tight end Brent Jones lost control of the ball at the goal line, then rejoiced as it bounced directly back into his arms. The official ruling was that Jones had scored before he fumbled.



Although a late fumble devastated the Redskins, this one didn't hurt the 49ers; Brent Jones, right, scored before losing the ball.

Aikman Leads Dallas To Rout of Philadelphia

The Associated Press
IRVING, Texas — Troy Aikman was pressure-proof in his first playoff start. It was Randall Cunningham who played as if he had rookie nerves.

down from the Eagles 1 when tight end Derek Tennell slipped unnoticed into the end zone for the scoring pass from Aikman.

The Cowboys, 14-3, will play the San Francisco 49ers next Sunday in the conference title game at Candlestick Park. Elliott also hit a 43-yard field goal in the third quarter.

It will be the first NFC title appearance for Dallas since the Cowboys lost 20-7 to the Eagles in 1981. It also was the first NFL coaching victory in postseason for Jimmy Johnson, whose team lost 38-6 in the divisional playoffs last year to Detroit with Steve Beuerlein starting.

Aikman and Emmitt Smith, who ran 23 yards for a touchdown and rushed for 114 yards, provided a one-two punch that devastated the Eagles in the Cowboys first home playoff game since 1983.

Aikman, who threw two touchdowns passes to his tight ends, got off to a 3-for-10 start, then found 6-foot-4 (1.95-meter) Alvin Harper being guarded by 5-7 Mark McMillian on a 41-yard pass to set up the Cowboys second touchdown. The Philadelphia secondary never recovered.

Dallas scored 10 points in the last 47 seconds of the first half, then went 70 yards on the opening drive of the second half to put the game away on Smith's run.

The Cowboys, with the No. 1 defense in the NFL, sacked Cunningham five times and held his famed scrambles to a minimum.

Cunningham couldn't get untracked until the final 2 minutes of the game, when he drove the Eagles 70 yards and found Calvin Williams with an 18-yard scoring pass with 50 seconds to play.

Aikman completed 15 of 25 passes for 200 yards and suffered no interceptions. Cunningham was 16 of 29 for 142 yards.

Aikman drove the Cowboys 54 yards for a first-quarter touchdown after Roger Ruzek's 32-yard field goal put Philadelphia ahead, 3-0. The playoff came on second

Buffalo Defense Clamps Down on Pittsburgh

By Leonard Shapiro

Washington Post Service
PITTSBURGH — There was no need for miracle comebacks or frantic finishes for the Buffalo Bills on Saturday. Instead, a week after they scored 38 second-half points, they switched their focus from a passing-offense to a defense of domination and eliminated a puncheon Pittsburgh Steelers team from the National Football League playoffs with a 24-3 victory.

By game's end, there were less than a few thousand left in the stands from what had been a crowd of 60,407, the largest ever in Three Rivers Stadium. The victory moves the Bills into their third straight American Football Conference championship game, against the winner of Sunday's AFC semifinal between the Miami Dolphins and San Diego Chargers.

"We got a lot of guys hurt, a lot of guys banged up," said running back Thurman Thomas, who played most of the day with a painful hip pointer. "But what we're doing now just shows the kind of heart and character we have."

The Bills did it with Frank Reich at quarterback in place of the injured Jim Kelly for the second straight week. He proved decisive, as did a defense that sacked Steelers quarterback Neil O'Donnell seven times and forced three turnovers.

Kelly, in a warm-up suit, not a uniform, threw a few passes and took several snaps in warmups testing his sprained right knee. As for the AFC championship game, Coach Marv Levy said Saturday: "If Jim Kelly is healthy and has a full week of practice, he's our quarterback. But right now, we just don't know."

In the first half, the Steelers, meanwhile, were moving nicely between the 20s, but couldn't finish what they'd started. Four times in the first half they were inside the Bills 40, but had only Gary Anderson's 38-yard field goal to show for it.

On the Bills' first possession of the second half, Reich moved them smartly downfield, and was facing a second and 13 at the Steelers 17 when he made one of his few mistakes.

He was aiming for wide receiver Don Beebe on the right sideline when Shelton stepped up and was in perfect position for an interception and perhaps a long scoring run, as well. But the ball hit Shelton in the hands and clanged off them.

"It was just a play where you read the cornerback," Reich said. "If he drops off the coverage, you throw the ball. I thought he dropped off, and it was a bad read on my part."

A bad read was followed by a great read on the next play — Reich's 17-yard scoring pass to veteran receiver James Lofton. Reich admitted later he was thinking field goal on the play and had called for a screen pass to Thomas to set it up for kicker Steve Christie. But he also told Lofton to run a "go-route" just in the case the Steelers were in man-to-man coverage.



The Bills' James Williams stopping a Steelers' second-quarter drive by stealing a Neil O'Donnell pass intended for Ernie Mills.

SIDELINES

AC Milan Wins 50th Straight in Italy
ROME (Combined Dispatches) — AC Milan won its record 50th straight game in the Italian soccer league on Sunday, beating Cagliari, 1-0, on a penalty by Jean-Pierre Papin.

Milan, playing at home, attacked a resolute Cagliari defense for most of the first half, without success. For the second half, playmaker Roberto Donadoni substituted for striker Marco Simone and was soon fouled in the penalty area. The French striker Papin converted the penalty kick.

Milan's unbeaten run, including 34 victories and 16 draws, began after its last league defeat at Bari on May 19, 1991. Milan won the 1991-92 championship unbeaten. (Reuters, AP)

East Defeats West in Japan Bowl
TOKYO (AP) — Shane Matthews' touchdown pass to O. J. McDuffie in the third period broke a tie and George Teague provided the clincher with a 47-yard interception return as the East beat the West, 27-13, in the Japan Bowl college football all-star game on Sunday.

Two plays into the second half, Fresno State's Lorenzo Neal fumbled and Syracuse linebacker Glen Young recovered at the West 28. Two plays later, Florida's Matthews booked up on a 25-yard scoring pass with McDuffie of Penn State to give the East a 17-10 lead.

INTERNATIONAL RECRUITMENT
You will find below a listing of job positions published last Thursday in the International Herald Tribune under the International Recruitment Feature

ESORTS & GUIDES
BELLE EPOCH ESCORT SERVICE
LONDON 071 577 8252
Credit Cards Welcome

INTERNATIONAL CLASSIFIED
(Continued From Page 4)
ESORTS & GUIDES
GENOVA ESCORT AGENCY ZURICH
BASE \*\* LAUSANNE \*\* MONTREUX

ESORTS & GUIDES
YVES LONDON
Escort Service 7 days/week. Credit cards welcome. Tel 071 246 2579

AN IHT GIFT SUBSCRIPTION MEANS A FREE HOLIDAY GIFT — PLUS FREE WEEKS ADDED TO YOUR OWN SUBSCRIPTION
46% off the newsstand price!
A subscription to the IHT is an ideal year-long gift for a friend or business acquaintance — especially at our special gift rate of up to 46% off the newsstand price.

